

**UNITED STATES DISTRICT COURT
WESTERN DISTRICT OF MISSOURI
WESTERN DIVISION**

JAMES E. MURPHY On Behalf of Himself)	
and All Others Similarly Situated,)	
)	
Plaintiff,)	
)	
vs.)	Case No. 07-282-CV-W-ODS
)	
NOVASTAR FINANCIAL, INC., W.)	
LANCE ANDERSON, SCOTT F.)	
HARTMAN, and GREGORY S. METZ,)	
)	
Defendants.)	

CERTIFICATE OF INTEREST

Pursuant to W.D.Mo. Rule 3.1, defendant NovaStar Financial, Inc. certifies that it has no parent companies and no direct subsidiaries that are not wholly owned. NovaStar Mortgage, Inc., a wholly-owned subsidiary of NovaStar Financial Inc., owns all of the common securities of NovaStar Capital Trust I ("NCT I") and NovaStar Capital Trust II ("NCT II"). NCT I and NCT II have issued trust preferred securities to other investors.

Respectfully submitted,

/s/ Brian D. Martin

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Attorneys for defendants NovaStar Financial, Inc.,
Hartman, Anderson, and Metz

CERTIFICATE OF SERVICE

I hereby certify that on April 30, 2007 I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system which sent notification of such filing to the following:

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